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1. In 1941 immediately before the outbreak of war between the US and Japan the Russian emigré population of Dairen was about 700. During the war years (1942-45) there was little change in the Russian population, but following VJ day (1945) a migration of Russian emigrés from Harbin and Mukden to Dairen took place. Initially these new residents came direct but later, after fighting between the Chinese Nationalists and Communists interrupted direct rail communications, the migrants travelled via Korea. By 1948-49 the Dairen Soviet Citizens Society, to which virtually all Russian emigrés belonged, had a membership of approximately two and a half thousand. This figure includes wives and children, but does not include technicians and professional men brought in from the USSR by the Soviet administration.
2. A small number of local Russians, perhaps 100 in all, were arrested and deported by the USSR military authorities in 1945-46. [See No 25X1A women or children were deported.
3. With the exception of a handful of very old people, virtually all of the Russian emigrés in Dairen took out Soviet papers in 1945-46. They were registered at the USSR Consulate and became members of the Soviet Citizens Association but in the eyes of the Soviet authorities were never better than second-class citizens. The emigrés took out Soviet papers largely for economic reasons. When the Soviet troops moved into Dairen following the Japanese surrender (August 1945), they brought with them large quantities of Japanese currency notes which they had looted from Japanese banks in northern Manchuria. As a result Japanese currency lost all value in the short space of two weeks. The cash holdings of residents in Dairen were of course in Japanese currency, and because of its collapse all residents, even the well-to-do, found themselves in desperate straits. Fortunately for the Russian emigrés, the Soviet authorities brought in from the USSR only the very top level of administrative personnel, and used local Russians for all lower level jobs. At the time I left Dairen I estimate over 90% of the local Russian community were employed in government offices or in government controlled industrial or commercial organizations.

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4. Following the establishment of Communist control over the Chinese mainland in 1949, a number of emigrés have found employment as teachers of Russian in Chinese schools. I understand that each Chinese school is required to have at least one teacher of Russian. A friend who is so employed told me that the Russian teachers are called together once a week when their class-work for the ensuing week is laid out for them in minute detail by a "brigadier". The texts to be used and teacher's comments are prescribed and probable questions are anticipated and appropriate replies set out. Because these briefings were so complete, my friend was convinced that the "brigadiers" had received equally comprehensive briefings from some higher authority. Needless to say the briefings followed the Communist part line exactly. If this system extends to all parts of China, as it may, it is a dangerous development for it means that young Chinese everywhere are being indoctrinated in identical terms. When they grow older they will find no grounds for skepticism because one will confirm the beliefs of the other.
5. None of the Soviet troops forming the garrison or released from the garrison forces nor any of the Soviet technicians brought in from Moscow was supposed to have any social contact with the local colony. However a number of the younger men disregarded the prohibition and made friends with local families which had girls of their own age group and attended dancing parties in their homes. With these occasional exceptions there was no social contact between the local emigrés and Soviet citizens from the USSR.
6. Since shortly after the Soviet occupation a small but steady exodus of local Russians out of Dairen has been going on. Obtaining an exit permit was not extremely difficult for unemployed elderly persons. It was, however, a difficult matter for anyone whose services the Soviet or Chinese authorities considered they needed.

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7. Visibly the staff of the personnel department of the city government was entirely Chinese. If there were USSR advisers in it, they kept out of sight. The top level administrators in the government-owned or-controlled enterprises were appointed by the Northeastern government in Mukden. The secondary level employees were assigned in theory at least by the city government personnel department, often however on nomination of the administration of the enterprise concerned. Below the secondary level the administration did the appointing.
8. Industrial and commercial organizations normally supplied housing to employees at low cost. The rental was based on the floor space occupied (excluding hallways, kitchens and bathrooms) but I cannot recall the amount charged per square meter. These were known as "official rentals". After 1949 a ceiling was imposed on open market rentals of twice the "officials rentals". As the great majority of emigrés were employed in government-controlled enterprises they enjoyed official housing; and rent controls did not affect them. At one time there was a housing shortage. Many houses previously occupied by Japanese were left vacant and deteriorated badly in the severe winter weather; further, they were looted of doors and windows for firewood. At the same time, an influx of Chinese from Chefoo and from Manchurian villages was in progress (with official encouragement in furtherance of the Communist desire to build up a proletariat). Some half million Chinese were added to the population of Dairen. To meet the housing shortage the industrial enterprises built extensive staff quarters and ultimately most of the newcomers were provided with official housing.
9. In 1945-46 an open market in consumer's goods existed but supplies in it were almost entirely old stocks left over from the Japanese regime. This was especially true of canned goods. During this period it was almost impossible to buy clothing. Fortunately most of the residents had sufficient clothing on hand. The Soviet army organized a special trading company known as Spetzorg where foodstuffs could be purchased. Spetzorg drew its supplies from the USSR. Its facilities were open to demobilized USSR military personnel, and to employees of government-owned or-controlled enterprises such as the Dairen Dock, the fishing company and others. In addition, each large enterprise conducted a company store selling such local produce as rice, vegetable oils, millet and locally made soap. In 1946 or 1947 the Soviet Civil Administration opened a cooperative which was fairly well stocked, chiefly with goods which had come into the hands of the Civil Administration locally. Textile materials were old stocks left by the Japanese. Clothing such as socks and shirts were all of Japanese manufacture. Many of these articles were second hand and had been sold by the departing Japanese to Soviet army personnel. In 1947 or 1948 locally-packed canned fruits and seafood became available (turned out by a former Japanese cannery in the Sha-ho-k'ou district near Suzuki's plant). During 1947 and 1948 Spetzorg continued to sell USSR goods but USSR supplies ceased in 1949, in which year the Chinese authorities set up free-market shops. Tchurin and Co was opened with a staff of Tchurin employees but under Chinese government ownership. Supplies for the free market came from Shanghai and Tientsin, some of local manufacture there, some old stocks which had been imported from the West. I recall seeing German and Czech stockings on sale. Everything was very expensive.
10. Beginning in 1947 or 1948, Russian employees of the various firms were issued ration books for Spetzorg. These were small booklets of numbered coupons. Some of the coupons were good for specified articles only; others were blank and were validated by number from time to time for specified articles. The ration books were of three grades, No 1 for USSR Russians and directors of enterprises, No 2

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for managerial assistants and No 3 for other Russian employees. In 1950 ration cards for everyone except Soviet Russians were abolished. Prior to 1950, the Chinese also had ration cards; but they were different from those issued to Russians, and for different commodities. These also were abolished in 1950. The various companies and plants continued in 1950 to operate company-stores but restricted sales exclusively to their own employees. Prices in them were much cheaper than on the free market, as the companies based prices on direct costs - without taking overheads into account.

11. Any attempt to compare living costs between one postwar year and another is almost impossible because of currency changes. To begin with, in 1945-46, Japanese yen passed at par with Soviet occupation currency. Subsequently - at a date I cannot recall - a new currency was introduced which was known to us as "Dairen currency". This was replaced (again at a date I cannot recall) by another currency - probably Manchurian. On this occasion, a holder was allowed to exchange up to a limited amount (Yuan 3000 I believe) of the old currency for the new at par. Over the prescribed maximum, the exchange rate was 10 old yen to one new. Still later, a change was made from this currency to North China currency as used in Tientsin. [redacted] 25X1X

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[redacted] After Spetzorg privileges were no longer available to emigre Russians 1950 the cost of living for this class became prohibitive. However, the cost of living in Tientsin, [redacted] was a third 25X1X higher than in Dairen.

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12. Chinese labor, [redacted] was better off in 1950-51 than immediately before the war 1941. Their morale was higher and they took pride in the achievements of their particular plants.
13. Russian owners of radios were required to register them but no restrictions were placed on their use. Short wave radios were permitted--at least for Russians--and were not uncommon. Short wave sets may have been prohibited for Chinese; I do not know. USSR radios, including short wave sets, manufactured in Minsk, Riga and "Ural" factories, were on sale. The old Japanese broadcasting station in the Sha-ho-k'ou area was operating but at a reduced power. It broadcast long wave in Chinese, during daylight hours and possibly at night. I do not remember the wave length. Reception of VOA, BBC and Australia programs was good and the programs were popular with the emigre colony. Occasionally we would listen to Moscow either direct or re-broadcast from Khabarovsk for opera and music.
14. A one-page daily newsheet in Russian was published locally; it consisted chiefly of TASS releases and reprints from PRAVDA and IZVESTIA. USSR newspapers and other periodicals were available by surface mail but not by air mail. No non-USSR foreign periodicals were allowed.
15. The old Japanese telephone system is still in operation. It is a dial system with five-digit numbers. The service is good. To the best of my memory the system is mainly open wire, with some overhead cables but no underground cables. In 1946-47 it was easy to obtain a telephone installation but since then it has become increasingly difficult year by year. It used to be possible to call Harbin by long distance telephone. I had no occasion to do so during the last 25X1X two years [redacted] and cannot say if it is still possible but I assume that it is.

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16. I am sure that censorship of mail existed. For example the authorities were aware [redacted]

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